



February 11, 2004

Dennis Keschl
Administrative Director
Maine Public Utilities Commission
State House Station 18
Augusta, Maine 04333-0018

RE: MAINE PUBLIC UTILITIES COMMISSION, Investigation into the Adequacy of Utility
Services in Maine During Power Outages – Docket 2002-151

Dear Mr. Keschl:

Pursuant to the Commission's November 14, 2003 Order, please find enclosed for filing in the above-captioned matter Bangor Hydro-Electric Company's responses to specific orders required for the 90-day response.

Very truly yours,

A handwritten signature in cursive script that reads "Gayle A. Morin".

Gayle A. Morin
Paralegal

Enclosures

cc: Service List

Docket 2002-151 Order # 37

BHE shall report to the Commission within 90 days of this Order on what changes it has made or intends to make to improve its phone system and eliminate call volume limitations.

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Docket 2002-151 Order # 37 BHE Response

Over the last several years, Bangor Hydro has been making modest improvements to its phone system in an effort to improve service to customers during outage events and reduce the number of busy signals experienced by customers. Since the Ice Storm of 1998, we have increased the number of inbound telephone lines entering the Customer Service Center from 23 to 69, we have steadily increased the number of individuals who are trained to take outage calls during extended outage events, and in the fall of 1999 we installed an IVR/EIC Client which added options for customers to report power outages by using their account number as well as their phone number. Initially, this system could only successfully process approximately 30 percent of outage calls. We have found that as we have been able to clean up our customer information database, the performance of our system has increased. Currently, the system is successfully processing approximately 40 to 45 percent of all outage calls entered into the IVR.

In January 2001, we began investigating the cost and feasibility of high-volume call answering (HVCA) services. We obtained a price quote from a leading vendor of HVCA services requiring an initial capital investment of \$100,000 and annual O&M charges averaging \$135,000, assuming four storms per year. With this service, once our internal capacity to answer calls had been exceeded, calls would have been routed to a super-IVR system to be answered with the customer being confronted with the frustration of a busy signal. The customer would then hear a global message regarding the status of the outage and then would have had the opportunity to report their outage through the super-IVR to our customer information system. While the functionality of the super-IVR was capable of eliminating busy signals during large outages, we were concerned that, given the limitations of our CIS system, we would not realize the full value of our investment, therefore a decision was made not to acquire the service.

In light of the Commission's Docket 2002-151 Order, Bangor Hydro is once again researching the feasibility of high-volume call answering services. Our initial discussions included three vendors, one of which we have ruled out. Currently, we are engaged in detailed discussions with the remaining two vendors of high-volume call answering services. We are revisiting the price quote we received three years ago, and, in addition to an updated price quote, we have requested detailed descriptions of enhancements they have made to their service. This vendor has yet to provide any updated, detailed information.

The other vendor we are consulting with has submitted a formal proposal. They are proposing a world-class solution that would offer increased functionality and flexibility to our telephone system. While this system would offer much better functionality, it is more costly and would to install. However, given the potential benefits to the business and to our customers, this system warrants further investigation.

In order to make an informed and prudent business decision, we request an extension of time to continue our discussions and formulate a plan to present to the Commission. We anticipate being able to share additional information by June 30, 2004.

Dated: 02/11/2004

Response Prepared By: Lois M. Grillo, Business Management Process Coordinator, Business Services

Witness Responsible For: Kathy Billings, Manager, Customer Service & Customer Advocate

Granted by Order of the
Hearing Examiner
Renald Bragdon 3/10/04